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1	SECRETARIAI FED	ERAL ELECTION COMMISSION	COMMISSION		
3	1 FEB -4 AM 10: 19	999 E Street, N.W. Washington, D.C. 20463	2013 FEB - 1 PM 4: 15		
4 5 6	FIRST GENERAL COUNSEL'S REPORT		CELA		
7 8 9 10 11		MUR: 6620 DATE COMPLAINT FILED: DATE OF NOTIFICATION: DATE OF LAST RESPONSE DATE ACTIVATED: Octobe	August 8, 2012 : September 12, 2012		
13 14 15			EXPIRATION OF SOL: December 14, 2016 – March 30, 2017		
16 17	COMPLAINANT:	James Taylor, Sr., The City No	ews		
18 19 20 21 22 23	RESPONDENTS:	Friends of Brian Woodworth a Woodworth in her official ca Olivet Nazarene University Walter ("Woody") Webb Dennis Crocker			
24	RELEVANT STATUTES				
25 26 27 28 29 30 31	AND REGULATIONS:	2 U.S.C. § 431(8) 2 U.S.C. § 434(b) 2 U.S.C. § 441b(a) 11 C.F.R. § 100.52 11 C.F.R. § 100.54 11 C.F.R. § 100.74			
32 33	INTERNAL REPORTS CHECK	ED: Disclosure Reports			
34	OTHER AGENCIES CHECKED	D: None			
35	I. INTRODUCTION				
36	Complainant alleges that	congressional candidate Brian Woodwor	th received a		
37	prohibited in-kind contribution from Olivet Nazarene University (the "University") when the				
38	University, with the assistance of University Vice President Walter "Woody" Webb and				

University Dean Dennis Crocker, granted students internship credit for helping Woodworth

gather the signatures he needed to qualify for appearance on the ballot as a candidate for the

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- 1 House of Representatives. Although the University provided evidence that it did not offer or
- 2 grant any internship credits for gathering signatures, it acknowledged granting one hour of
- 3 course credit to a student who interned at Woodworth's campaign office, as part of a
- 4 University-approved independent study program.

5 As discussed below, the Commission previously has concluded that, as long as the

sponsoring educational institution offers college credit in a manner which is nonpartisan and

consistent with accepted accreditation standards, no in-kind contribution results from the work

8 performed when a student receives eollege credit for an uncomponsated internship at the

campaign office of a federal candidate. Given the available information, we recommend that

the Commission find no reason to believe that Olivet Nazarene University, Walter ("Woody")

Webb, and Dennis Crocker violated 2 U.S.C. § 441 b(a), or that Friends of Brian Woodworth

and Hilary Woodworth in her official capacity as treasurer violated 2 U.S.C. §§ 434(b) and

13 441b(a), and close the file.

## II. FACTS

## A. Background

- 16 Brian Woodworth was a candidate for Congress in the Second Congressional District of
- 17 Illinois in 2012. Woodworth was also an associate professor of criminal justice in the
- 18 University's School of Professional Studies between August 2006 and August 1, 2012. See
- 19 University Resp. at 1; Committee Resp. at 2, Attach. 2 ("Woodworth Aff."). The University is
- 20 a 4,600 student private institution in Illinois that operates as a 501(c)(3) non-profit corporation.
- 21 See <a href="http://www.olivet.edu/fast-facts/">http://www.olivet.edu/fast-facts/</a> (last visited January 30, 2013); University Resp. at 1.
- 22 Webb is the University's Vice President for Student Development, and Crocker is the Dean of
- 23 the University's School of Professional Studies.

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- Woodworth filed his Statement of Candidacy and a Statement of Organization with the
  Commission on January 30, 2012, designating Friends of Brian Woodworth as his principal
  campaign committee (the "Committee").
  - B. Alleged University Support for Woodworth's Candidacy
- Woodworth had received help from University student volunteers in launching his campaign.

  Nicole LaFond, *Professor Prepares to Run for Congress*, GLIMMERGLASS, Feb. 8, 2012,

  available at http://issuu.com/glimmerglass/docs/february 8 (last visited January 29, 2013)

A February 8, 2012, article in the University's student run newspaper reported that

9 ("GlimmerGlass article"). The article quotes Woodworth as stating that several students of a
10 University political science club, Capitol Hill Gang, helped him get the requisite 600 ballot
11 access signatures he needed to appear on the ballot. *Id.* Reportedly, the students also did
12 research and graphic design for Woodworth's primary election campaign. *Id.* 

On February 12, 2012, Complainant, Woodworth's opponent in the Republican congressional primary election, complained to the University about the University's apparent support of Woodworth's candidacy, as described in the student newspaper article. The student newspaper ran a clarification in its March 15, 2012, issue stating that, though some had interpreted the prior article as suggesting the University's endorsement of Woodworth's candidacy, the University is legally prohibited from participating in any political campaign on behalf of (or in opposition to) any candidate for elective public office. *See* University Resp.,

Ex. I; http://issuu.com/glimmerglass/docs/march 15 (last visited January 30, 2013).

The Committee amended its Statement of Organization on Septembor 18, 2012 replacing Ryan Hayes as the Committee's treasurer with Hilary Woodworth.

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Complainant subsequently filed this Complaint alleging that the University made, and the Committee received, an in-kind contribution by giving college credits to students who helped Woodworth gather signatures to appear on the ballot. See Compl. at 1. Complainant alleges that Woodworth, Webb, and Crocker solicited the students' help by promising and giving them internship credits, which Complainant valued at \$1,136 per credit. Complainant also asserts that the alleged offer to compensate the students with college credit is evidence that the students were not volumeors. Complainant oid not provide information showing that an offer of credit was made or that any internship credit wes actually given to students who gathered signatures.

Respondents deny the allegations and submitted sworn affidavits from University officials in support. An affidavit from the University's Registrar, Jim Knight, attests that the University did not give any student internship credit for gathering Woodworth's ballot access signatures. University Resp. at 3, Ex. E ("Knight Aff."). The University and Webb also assert that Webb could not have given internship credit to students because he did not have that authority. University Resp. at 4, Ex. J ("Webb Aff."). Both Webb and Crocker also attest that neither of them arranged for or approved any college credit for students who worked on Woodworth's campaign or took any action in support of Woodworth's candidacy. Webb Aff.; University Resp. at 5, Ex. L ("Crocker Aff."). The University speculates that any student who gathered ballot access signatures for Woodworth likely volunteered. University Resp. at 3. Further, the University provided a copy of correspondence by which it cautioned Woodworth that it could not support his candidacy and that "there must be no perception that there is a linkage between Olivet and your campaign." See University Resp. at 5, Ex. M.

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1 The Committee, in its response, asserts that since no University students actually 2 received internship credits, or anything else of value, for gathering Woodworth's ballot access 3 signatures, no in-kind contribution was made, or received. Committee Resp. at 2. The 4 Committee, in a sworn affidavit from Woodworth, asserts that all of the students who gathered 5 Woodworth's ballot access signatures were unpaid volunteers. Id. at 2, Attach. 2 ("Woodworth Aff."). 6 7 The University, however, acknowledges that one student received one credit toward a 8 Political Science minor for an internship at Woodworth's campaign office during the 2012 9 spring term. See University Resp. at 3. The student drafted press releases, advertisements, and 10 other campaign materials during February and March 2012. See id., Ex. F. The University 11 explained that the internship was part of its "directed study" program, a self-designed course in 12 which a student pursues a topic of interest that is not available through a regularly offered course. University Resp. at 3. The University explained that the internship must be approved 13 14 by a University faculty member and be processed through the University's Office of the 15 Registrar for the student to receive credit. Id. The Political Science faculty member who approved the student's directed study at 16 17 Woodworth's campaign office, David Claborn, declared in a sworn affidavit that he did not encourage the student to volunteer for Woodworth's campaign. See University Resp. at 3, Ex. 18 19 G ("Claborn Aff."). Further, this faculty member stated that he "consistently informed students 20 that they could volunteer for any candidate, including James Taylor, Sr. [Woodworth's 21 opponent in the Republican congressional primary]." See Claborn Aff.

## III. LEGAL ANALYSIS

The Complaint alleges that the University, a non-profit corporation, made a prohibited in-kind contribution to the Committee when it compensated students — in the form of college internship credits — for gathering signatures to place Woodworth's name on the Illinois ballot.

Corporations are prohibited from making contributions in connection with a federal election, and political committees are prohibited from knowingly accepting or receiving corporate contributions. 2 U.S.C. § 441b(a); 11 C.F.R. § 114.2(b)(l). Corporate officers are prohibited from consenting to corporate contributions in connection with a federal election.

9 2 U.S.C. § 441b(a); 11 C.F.R. § 114.2(e). Contributions to political committees must be 10 disclosed to the Commission. 2 U.S.C. § 434(b).

A contribution includes anything of value made by any person for the purpose of influencing any election for federal office or the payment by any person of compensation for the personal services of another person which is rendered to a political committee without charge for any purpose. 2 U.S.C. § 431(8)(A); 11 C.F.R. §§ 100.52, 100.54. The value of services provided without compensation by any individual who volunteers on behalf of a candidate or political committee, however, does not constitute a contribution. 2 U.S.C. § 431(8)(B)(i); 11 C.F.R. § 100.74.

In Advisory Op. 1975-100 (Moss), the Commission specifically addressed whether college credit received for an internship in a federal campaign office was compensation, and thus a contribution from the college to the campaign. In that request, Utah Senator Frank Moss asked the Commission whether in-kind contributions would result from having political science students from the University of Utah receive college internship credits for serving as voluntary interns in his campaign office. The Commission concluded that, if the university's internship

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- program was conducted in a nonpartisan manner and in a manner consistent with accepted

  accreditation standards generally applicable to institutions of higher education, receiving college
- 3 credit would not constitute compensation.<sup>2</sup>

Based on the facts presented in this matter, it does not appear that the University made an in-kind contribution to the Committee. With respect to the allegation that an in-kind contribution resulted from students receiving internship credit for collecting ballot signatures for Woodworth, Respondents deny that students were granted college credits and provided sworn affidavits from Woodworth, the University's Registrar, and other University officials in support. See University Resp. at 3-5; Committee Resp. at 2. In contrast, the Complainant provides no supporting information to substantiate his assertion that the students who gathered ballot access signatures for Woodworth received college credits for their efforts, and we have uncovered no information showing that they did. Accordingly, there is no basis on which to conclude that respondents made or received an in-kind contribution in connection with students gathering signatures.

The University concedes, however, that a single political science student received one college credit for completing a two-month internship in Woodworth's campaign office in February and March 2012, as part of the University's standard directed study program. See University Resp. at 3. The credit granted to the student would not constitute compensation, however, if the university's directed study program was conducted in a nonpartisan manner and in a manner consistent with accepted accreditation standards generally applicable to institutions

In contrast, an in-kind contribution results when an intern is compensated through a stipend, scholarship, or other forms of compensation for participating in an internship where the intern engages in activity related to the campaign of a federal candidate. See Advisory Op. 1979-67 (RNC/DNC); Advisory Op. 1982-60 (American Society of Mechanical Engineers); Advisory Op. 1985-17 (Congressional Youth Leadership Council); Advisory Op. 2003-20 (Hispanic College Fund, Inc.). Compare Advisory Opinion 1982-31 (Koenig) (stipend for internship that falls within the statutory exemption for legal and accounting services is not a contribution).

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of higher education.<sup>3</sup> See Advisory Op. 1975-100 (Moss). The available information shows 1 2 that the University's internship program was conducted in a nonpartisan manner and in a 3 manner consistent with accepted accreditation standards generally applicable to institutions of higher education. 4 Specifically, the University provided information indicating that: (1) the 4 5 student receiving the internship credit independently chose Woodworth's campaign; (2) the 6 University professor who approved the directed study and the liternship credit did not 7 encourage the student in volunteer for Woodworth's campaign and also informs students that 8 they could volunteer for any candidate, including Woodworth's opponent, see Claborn Aff.; and 9 (3) the University maintains that its 501(c)(3) nonprofit status prohibits it from supporting or 10 opposing any candidate. See University Resp. at 4. Given that the University does not 11 encourage or discourage students to volunteer for candidates of any particular party, the directed 12 study program appears to be nonpartisan. Although Woodworth's status as a professor in the 13 Criminal Justice department at the University could give him a practical advantage over other 14 candidates in recruiting potential student interns, this does not amount to political partisanship 15 of the directed study program. 16 The University also appears to be fully accredited, see http://www.olivet.edu/fast-facts/, 17 and the directed study program is listed as a standard curriculum on the university's website, see 18 http://www.olivet.edu/directed-study/. Accordingly, nothing suggests the internship program

There is no information to indicate that the student received any other form of compensation, e.g. a scholarship or stipend, for participating in the internship program. The available information indicates that patticipants in the University's directed study program are required to pay regular tuition to the University. See <a href="http://www.olivet.edu/directed-study/">http://www.olivet.edu/directed-study/</a> (last visited January 30, 2013).

The Commission in Advisory Op. 1975-100 did not set forth specific criteria for evaluating whether an internship program is manufactisan, nor have there beam any subsequent opinions or enforcement matters providing further guidance for determining whether this standard is met. When the opinion was issued, two Commissioners dissented, stating that they would not have required that such a program be conducted in a nonpartisan manner or in accordance with accreditation standards. See Dissent of Comm'rs Aikens & Harris, Advisory Op. 1975-100 (Moss).

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1 was not conducted in a manner consistent with accepted accreditation standards generally 2 applicable to institutions of higher education. 3 Based on the above, we recommend that the Commission find no reason to believe that Olivet Nazarene University, Walter ("Woody") Webb, and Dennis Crocker violated 2 U.S.C. 4 5 § 441b(a), or that Friends of Brian Woodworth and Hilary Woodworth in her official capacity as treasurer violated 2 U.S.C. §§ 434(b) and 441b(a), and close the file. 6 7 IV. RECOMMENDATIONS 8 1. Find no reason to believe that Olivet Nazarene University, Walter ("Woody") 9 Webb, and Dennis Crocker violated 2 U.S.C. § 441b(a). 10 11 2. Find no reason to believe that Friends of Brian Woodworth and Hilary Woodworth 12 in her official capacity as treasurer violated 2 U.S.C. §§ 434(b) and 441b(a); 13 14 3. Approve the attached Factual and Legal Analysis;

4. Approve the appropriate letters; and

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1	5. Close the file.	·
2 3 4		Anthony Herman General Counsel
5 6 7		Daniel Petalas Associate General Counsel for Enforcement
8 9 10	2-1-13-	KHCHC
11 12 13	Date	Kathleen Guith Deputy Associate General Counsel for Enforcement
14 15 16		Mark Shar Circle
17 18 19		Mark Shonkwiler Assistant General Counsel
20 2 <del>1</del> 22		W.
23 24		Kamau Philbert Attorney
25 26 27 . 28		